



THE KEITH COMPANIES

October 23, 1992

11902.00

Mr. Merle Pautsch
McDonnell Douglas Realty Company
18881 Von Karman Avenue, #1200
Irvine, CA 92715

Regarding: Evaluation of Potential Parcelization Effects -
Torrance Facility

Dear Merle:

Per your request, we have very briefly studied the possible acreage losses due to and costs associated with streets for two lot size scenarios. For purposes of the study, we utilized a 66' Right of Way industrial street section, parcel size constraints outlined below, and the assumption that all street would be new and costs would include paving, curb and gutter, sewer mainline, water mainline, fire hydrants, street lights, and storm drains.

The results are shown below:

	<u>OPTION 1</u>	<u>OPTION 2</u>
Total Site	171 Acres	171 Acres
Lot Size	3-5 Acres	10-15 Acres
Lot Count	33	14
Street Area (% of Total)	22 Acres (12.8%)	13 Acres (7.6%)
Magnitude Street Cost	\$2,700,000	\$1,600,000

As we discussed, much value engineering would eventually occur to optimize use of existing utilities and paved roadways when possible. If you should decide to study the issue further, please don't hesitate to ask as we are sure that many possibilities exist.

Sincerely,

KEITH ENGINEERING, INC.
dba THE KEITH COMPANIES

Eric C. Nielsen, P.E.
Vice President, Engineering

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